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Forum Trust Fund

Note by the Secretariat

Summary

The present note covers the contributions to and expenditures of the secretariat of the United Nations Forum on Forests funded from the Forum Trust Fund for the bienniums 2012-2013 and 2014-2015. The generous contributions of donor countries and other entities to the Fund are gratefully acknowledged. Without them, implementation of many of the mandated activities would not have been possible.

The present report was prepared pursuant to Forum resolution 7/1, on the multi-year programme of work of the Forum for the period 2007-2015.

* E/CN.18/2015/1.

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I. Introduction

1. In its multi-year programme of work for the period 2007-2015 (Forum resolution 7/1, annex) and at all its sessions since its seventh session, at which it adopted the programme of work, the United Nations Forum on Forests has called upon interested donor Governments, financial institutions and other organizations to make voluntary financial contributions to the Forum Trust Fund. Other countries in a position to do so, as well as other interested parties, have also been urged to contribute to the Fund. To ensure transparency, the Forum secretariat reports to the Forum at each session on the operation of the Fund, including on the amounts contributed, the source of the contributions and a description of how the funds have been expended. It should be noted that this note is submitted for information. The figures contained herein have not been audited and represent, therefore, an estimate as at 30 January 2015.

2. The current report outlines the contributions to and activities of the Forum Trust Fund for the bienniums 2012-2013 and 2014-2015, which is ongoing. Activities were carried out pursuant General Assembly resolution 62/98, on the non-legally binding instrument on all types of forests, the multi-year programme of work of the Forum for the period 2007-2015, resolutions of the Forum and the tenth session of the Forum, held in Istanbul, Turkey, from 8 to 19 April 2013.

II. Contributions to the Forum Trust Fund

3. Between 2012 and 2015, 11 donor countries contributed generously to the Forum Trust Fund in support of its mandates and the work of the Forum secretariat (see figure I and tables 1 and 2). The total contributions to the Fund for both bienniums was approximately $7.3 million inclusive of programme support costs. Given the present level of activities, implementing the basic work of the Forum would not have been possible without such contributions, which are gratefully acknowledged.

Figure I
Contributions to the Forum Trust Fund, 2012-2015

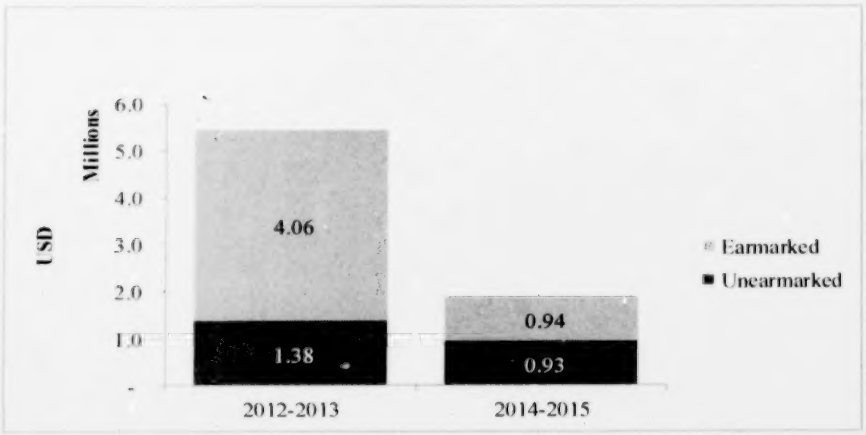

Table 1
Biennial contributions to the Forum Trust Fund, 2012-2013
(United States dollars)

Contributor	*Unearmarked*	*Earmarked*	*Total*
China	450 000	–	**450 000**
Finland	129 340	–	**129 340**
Germany	–	445 180	**445 180**
Norway	–	50 000	**50 000**
Republic of Korea	–	21 480	**21 480**
Turkey	–	1 159 976	**1 159 976**
United States	800 000	–	**800 000**
United Kingdom	–	2 384 738	**2 384 738**
Total contributions	**1 379 340**	**4 061 374**	**5 440 714**
Carryover from previous year[a]	1 578 638	509 834	**2 088 472**
Grand total	**2 957 978**	**4 571 208**	**7 529 186**

Note: The figures contained herein have not been audited and represent, therefore, an estimate as at 30 January 2015.
[a] Based on the maximum allotment that could be requested from the Forum Trust Fund for 2012.

Table 2
Contributions and pledges to the Forum Trust Fund, 2014-2015
(United States dollars)

Contributor	*Unearmarked*	*Earmarked*	*Total*
China[a]	250 000	250 000	**500 000**
Finland[b]	–	472 000	**472 000**
Netherlands	–	130 335	**130 335**
Norway[c]	–	50 000	**50 000**
Republic of Korea	–	21 003	**21 003**
Russian Federation[d]	284 000	–	**284 000**
Switzerland	–	20 000	**20 000**
United States	400 000	–	**400 000**
Total contributions	**934 000**	**943 338**	**1 877 338**
Carryover from previous year[e]	1 215 654	872 336	**2 087 990**
Grand total	**2 149 654**	**1 815 674**	**3 965 328**

Note: The figures contained herein have not been audited and represent, therefore, an estimate as at 30 January 2015.
[a] Includes a pledge of $250,000 for 2015.
[b] The amount pledged was for activities on the international arrangement on forests.
[c] The amount pledged was to cover the travel costs of representatives.
[d] Includes a pledge of $142,000 for 2015.
[e] Based on the maximum allotment that could be requested from the Forum Trust Fund for 2014.

III. Expenditures of the Forum Trust Fund for 2012-2013 and 2014

4. Fixed-term and temporary posts funded from extrabudgetary resources accounted for 36 and 53 per cent of total expenditures from contributions in 2012-2013 and 2014, respectively. Travel of representatives from developing countries and countries with economies in transition comprised 22 and 18 per cent of total expenditures from contributions in 2012-2013 and 2014, respectively. Detailed information on the expenditures of the Forum Trust Fund is presented in figure II and tables 3 and 4.

Figure II
Expenditures of the Forum Trust Fund, 2012-2013 and 2014

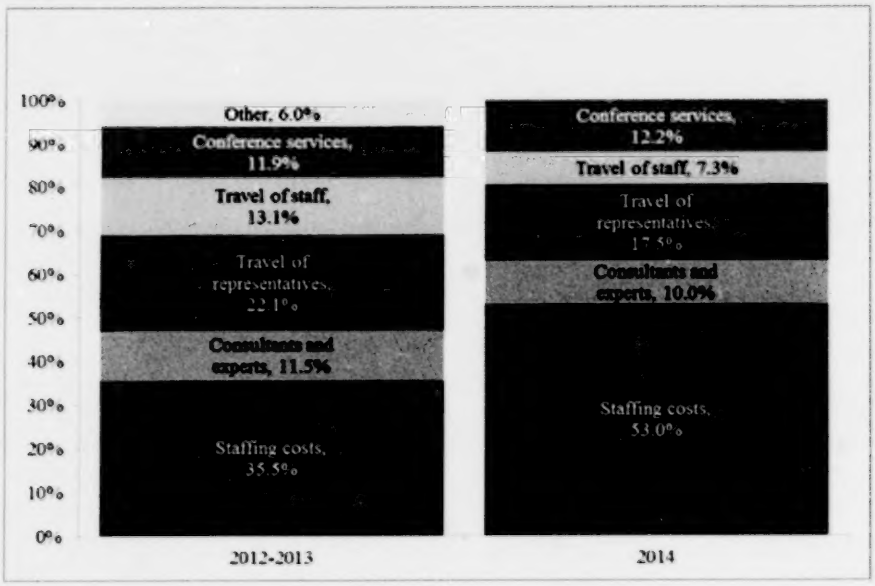

Table 3
Biennial expenditures of the Forum Trust Fund, 2012-2013
(United States dollars)

Expenditure	*Unearmarked*	*Earmarked*	***Total***
Staffing costs[a]	1 357 883	390 473	**1 748 355**
Consultants and experts	78 709	487 710	**566 419**
Travel of representatives	36 606	1 050 022	**1 086 628**
Travel of staff[b]	132 913	509 500	**642 412**
Conference services, interpretation[c]	140 976	443 906	**581 968**
Contractual services[d]	–	293 400	**293 400**
Subtotal	**1 746 298**	**3 172 885**	**4 919 183**
13 per cent programme support costs	227 019	412 475	**639 494**
Total	**1 973 316**	**3 585 360**	**5 558 676**

Note: The figures contained herein have not been audited and represent, therefore, an estimate as at 30 January 2015.

[a] Includes fixed-term and temporary posts funded from extrabudgetary resources, office space and other related expenses.

[b] Includes $400,000 for travel of staff from various departments at Headquarters to the tenth session of the Forum, held in Istanbul, Turkey, and for travel related to planning missions to Turkey.

[c] Includes conference services, including interpretation and additional security.

[d] Refers to institutional contracts for outsourced studies carried out in the framework of a project of the facilitative process on Africa and least developed countries.

Table 4
Expenditures of the Forum Trust Fund, 2014
(United States dollars)

Expenditure	*Unearmarked*	*Earmarked*	***Total***
Staffing costs[a]	661 956	114 468	**776 424**
Consultants and experts	–	146 149	**146 149**
Travel of representatives	1 150	255 086	**256 236**
Travel of staff	24 948	81 853	**106 801**
Conference services, interpretation[b]	–	178 120	**178 120**
Subtotal	**688 054**	**775 676**	**1 463 730**
13 per cent programme support costs	89 447	100 838	**190 285**
Total	**777 501**	**876 513**	**1 654 015**

Note: The figures contained herein have not been audited and represent, therefore, an estimate as at 30 January 2015.

[a] Includes fixed-term and temporary posts funded from extrabudgetary resources, office space and other related expenses.

[b] Includes conference services, including interpretation and additional security.

5. In general, extrabudgetary funds were used to supplement funds from the regular budget (Programme 7, Economic and Social Affairs, subprogramme 8, sustainable forest management). More specifically, the extrabudgetary contributions were critical for funding a substantial part of the activities of the regular programme of work of the Forum secretariat in 2012-2015, including the following:

(a) Staffing of the Secretariat. In order to implement the mandated intersessional activities, staff members in the Professional and General Service categories funded from extrabudgetary resources were paid using some earmarked but mainly unearmarked resources of the Forum Trust Fund. During 2012-2013, two staff members at the P-4 level, three at the P-3 level and two General Service support staff members were paid in this way; in 2014, one staff member at the P-4 level, two at the P-3 level and two General Service support staff members were paid in this way; and, in 2015, it is expected that one staff member at the D-1 level, one at the P-4 level, three at the P-3 level and two General Service support staff members will be paid in this way;

(b) Travel of representatives and experts. Travel assistance was provided to facilitate the participation of representatives of developing countries and countries with economies in transition to many Forum-related meetings during 2012-2015. These included the second meeting of the Open-ended Intergovernmental Ad Hoc Expert Group on Forest Financing, held in Vienna from 14 to 18 January 2013; the tenth session of the Forum, held in Istanbul, Turkey, from 8 to 19 April 2013; the first and second meetings of the Open-ended Intergovernmental Ad Hoc Expert Group on the International Arrangement on Forests, held in Nairobi from 24 to 28 February 2014 and in New York from 12 to 16 January 2015, respectively; and other meetings related to forest and economic development, forest financing and major groups. At the time of writing, very limited funds were available, even including current pledges, to support the travel of representatives from developing countries and countries with economies in transition to the eleventh session of the Forum;

(c) Consultants to support Forum activities. Individual contractors and consultants were engaged throughout 2012-2015 using extrabudgetary resources to support the regular programme of work, including for the tenth and eleventh sessions of the Forum, as well as the expert group meetings and other mandated activities. In 2012, an institutional contract provided for the preparation of extensive background studies for a project of the facilitative process on Africa and least developed countries (see table 3). Further, in accordance with Forum resolution 10/2, in which the Forum decided that the review of the effectiveness of the international arrangement on forests should include an independent assessment, five independent consultants were selected by the Bureau of the eleventh session to carry out the review. Extrabudgetary funds from the Forum Trust Fund were used to cover their consultancy fees and the costs of travelling to participate in meetings in New York, Nairobi and Vienna, as well as other cities, with key stakeholders and with the Open-ended Intergovernmental Ad Hoc Expert Group on the International Arrangement on Forests;

(d) Conference services and interpretation. According to the financial rules and regulations of the United Nations, ad hoc expert group meetings are not entitled to interpretation services, which, in such cases, can only be provided on an "as available" basis. Further, meetings held away from Headquarters are subject to additional costs for facilities, interpretation, copies, technical support and other

related expenses. As such, the Forum secretariat had to cover the expenses for the three ad hoc expert group meetings (two on the international arrangement on forests and one on forest financing) with resources from the Forum Trust Fund;

(e) Travel of staff. Forum secretariat staff members participated in many key forest-related events, including to plan for the tenth session of the Forum, to provide support for the second meeting of the Open-ended Intergovernmental Ad Hoc Expert Group on Forest Financing and to provide support for the first meeting of the Open-ended Intergovernmental Ad Hoc Expert Group on the International Arrangement on Forests. Fund resources were used to supplement regular budget funds to cover the travel costs of staff members participating in forest-related regional meetings and activities related to the Collaborative Partnership on Forests.

IV. Achievements and results attributable to the Forum Trust Fund

6. The following achievements and results are directly attributable to the contributions made to the Forum Trust Fund:

(a) As part of the facilitative process, the Forum secretariat organized two workshops to identify gaps, obstacles and opportunities related to forest financing in Africa and least developed countries, held in Dakar in December 2012 and in Nairobi in January 2013. The workshops brought together 55 experts from 26 countries and a wide range of regional and international organizations and resulted in the adoption of 12 sets of recommendations aimed at increasing the levels of forest financing both in Africa and in least developed countries. Together with the recommendations arising from similar workshops on small island developing States and low-forest-cover countries, those recommendations formed the basis of the first common forest financing strategy, dated June 2013, which will be used as a blueprint in the preparation of national forest financing strategies (see http://unff-fp.un.org/unff-projects/africaldcs);

(b) An organization-led initiative on forest financing was undertaken in collaboration with the Food and Agriculture Organization of the United Nations (FAO) in Rome in September 2012. The meeting produced several recommendations that helped the Forum, at its tenth session, to reach a meaningful decision on forest financing solutions;

(c) An expert group meeting was held on forests and economic development, the main theme of the tenth session. Further, three major studies on forests and economic development were completed as background papers for the tenth session of the Forum. The studies presented the latest data and findings on the following key areas: the cash and non-cash value of forests; forests and poverty eradication; forests and their cross-sectoral linkages to the agriculture, water, energy, health, transportation, tourism and mining sectors; the landscape approach for sustainable forest management; and forests in a future world. The findings of the studies informed the organization-led initiative on forest financing held in Rome in September 2012, the meeting on forest financing held in Vienna in January 2013 and the report of the Secretary-General on forests and economic development (E/CN.18/2013/4);

(d) To mark the end of the International Year of Forests 2011, a closing ceremony was held in February 2012 at which the first-ever Forest Heroes awards were given, the first-ever International Forest Film Festival was held and a children's art contest and a letter-writing contest were organized. Building on the success of the accompanying outreach campaign, the Forum secretariat launched the Forests for People awards, which have three components: the second Forest Heroes awards, the second International Forest Film Festival and a first-ever forest photography contest. A number of multimedia communications products were created, including the Forest Heroes video series, a short social media film entitled "Finding balance", a promotional film for the second International Forest Film Festival and four public service announcements by renowned film directors inviting entries for the film festival. All the films and videos were made available through the Forum playlist on the United Nations YouTube channel;

(e) One of the outcomes of the tenth session of the Forum was a clear road map for intersessional activities linked to the review of the international arrangement on forests;

(f) All the intersessional activities and related components of the review of the arrangement — submissions of views and proposals by Member States and other stakeholders, two meetings of the Open-Ended Intergovernmental Ad Hoc Expert Group on the International Arrangement on Forests and an independent assessment — were carried out using resources of the Forum Trust Fund;

(g) Resources of the Forum Trust Fund were also used to support the travel of Bureau members and representatives from developing countries and countries with economies in transition to the above-mentioned meetings and to the tenth session of the Forum. The importance of having a balanced representation from both developed and developing countries at Forum meetings cannot be overstated;

(h) The Forum Trust Fund has been a critical source of funding for supplementing the staffing needs of the Forum secretariat, which is the smallest office in the Department of Economic and Social Affairs. The Fund is currently the only source for covering the salaries of the five staff members (in the Professional and General Service categories) of the secretariat funded from extrabudgetary resources. Thus, the significance of unearmarked resources in the Fund to implement the substantive work mandated by the Forum cannot be overemphasized.

V. In-kind contributions

7. The Forum secretariat is grateful to FAO for having loaned, from February 2012, a staff member in the Professional category (P-3) on a non-reimbursable basis. This additional resource has supplemented the staffing needs of the secretariat, providing critical assistance in the policy development and implementation areas, in particular with regard to the monitoring, assessment and reporting portfolio of the non-legally binding instrument for all types of forests.

8. The Forum secretariat would like to express its gratitude to the Government of Finland for having funded a Junior Programme Officer post until October 2013, in addition to contributing to the Forum Trust Fund. The staff member played an important role in supporting the planning and implementation of Forum-related workshops and initiatives and in providing substantive support to senior staff members.

9. The Forum secretariat also expresses its gratitude to the International Tropical Timber Organization, which generously provided the services of a consultant for six months ending in February 2015 to assist the secretariat with the intersessional activities related to the review of the international arrangement on forests, in particular with researching and preparing documentation for the second meeting of the Expert Group and the eleventh session of the Forum.

VI. Pledges

10. The Forum secretariat is grateful to the Government of Finland for its pledge of $472,000, to the Government of the Russian Federation for its pledge of $142,000 and to the Government of Norway for its pledge of $50,000 to the Forum Trust Fund for 2015. As at the time of writing, the Government of China had pledged to continue its annual contribution to the Fund of $250,000.

VII. Priorities and challenges

11. Since the Forum was established, its mandates and outputs have expanded and increased significantly as a result of decisions taken at a number of its sessions and at other intergovernmental forums. That increase has had a huge impact on the Forum secretariat. At the same time, the levels of resources under the regular budget and of contributions to the Forum Trust Fund have not increased to match the tasks added to the secretariat's programme of work. Furthermore, secondments have not proved to be an efficient and sustainable means to supplement the work of the secretariat. It should be noted that during 2012-2015 secondments to the secretariat have been drastically reduced compared with previous periods and that no further commitments have been made to date, with the exception of the assignment of a staff member from FAO, as mentioned in paragraph 7 above.

12. Another challenge is the insufficiency, unpredictability and earmarking of the contributions to the Forum Trust Fund, which makes it very difficult and sometimes impossible for the Forum secretariat to allocate resources for the most urgent programmatic needs. As an example, if the expected contributions are not received, the secretariat will be unable to fund the current programme of work and cover the costs of the salaries of its staff funded from extrabudgetary resources for 2015. Additionally, at the time of writing, there were no resources in the Fund for implementing any action in follow-up to the eleventh session or to meet costs related to staff funded from extrabudgetary resources for 2016 (see table 5).

Table 5
Estimated expenditures from the Forum Trust Fund, 2015
(United States dollars)

Expenditure	*2015*
Staffing costs[a]	1 149 102
Consultants and experts[b]	150 000
Travel of representatives[c]	660 000
Travel of staff	100 000

Expenditure	*2015*
Conference services, interpretation	80 000
Subtotal	**2 139 102**
13 per cent programme support costs	278 083
Total	**2 417 185**

Carryover from the previous year	**1 615 173**
Expected contributions, 2015	**914 000**
Total available funds, 2015	**2 529 173**

Note: The figures contained herein have not been audited and represent, therefore, an estimate as at 30 January 2015.

Estimated expenditures refer only to those funds required to implement the current intersessional programme of work of the Forum secretariat and the travel of representatives to the eleventh session of the Forum; they do not include funding for any additional activity decided upon at the eleventh session.

[a] Estimate based on the actual cost of funding five posts from extrabudgetary resources in 2014, plus the nominal cost of funding two additional posts.

[b] Includes consultants to support the eleventh session of the Forum.

[c] Includes travel of representatives to the eleventh session of the Forum.

13. The human and budgetary resources needed by the secretariat to support the Forum and its member States have been highlighted and well documented in the outcome of the intersessional work related to the review of the international arrangement on forests, in particular the summary by the Co-Chairs of the first meeting of the Open-ended Intergovernmental Ad Hoc Expert Group on the International Arrangement on Forests (E/CN.18/2015/10, annex), the report on the independent assessment of the arrangement[1] and the summary by the Co-Chairs of the second meeting of the Expert Group (E/CN.18/2015/11, annex). The outcomes of the intersessional activities, among others, have highlighted the need for a strengthened secretariat with increased human and financial resources and for converting the secretariat into a division within the Department of Economic and Social Affairs.

14. Sustained and adequate human and financial resources will also be critical to enable the secretariat to continue to support the international arrangement on forests beyond 2015 and to continue to promote the integration of forests into the post-2015 development agenda. It is thus strongly recommended that resources, in particular for regular budget posts, as well as sustainable and consistent unearmarked extrabudgetary funds, be increased so as to provide the secretariat with a stable basis for the performance of its functions.

[1] Available from www.un.org/esa/forests/pdf/iaf/IAF-Assessement%20Report-Final-12%20Sep-2014.pdf.